May 27, 2010 Message to EPA Assistance Agreement Recipients:

On <u>March 24, 2010</u>, we notified EPA Assistance Agreement Recipients that the restrictions on distributing Fiscal Year 2010 EPA funds to the Association of Community Organizations for Reform Now (ACORN) and its subsidiaries were removed. The purpose of this email is to inform you that as a result of a recent appellate court ruling, those restrictions have been restored.

The United States Court of Appeals for the Second Circuit has granted the Government's motion for a stay of a District Court injunction that prohibited enforcement of the ACORN-related funding restrictions. Because of the stay, the restrictions on funding ACORN and its subsidiaries are back in effect. This means that recipients of EPA grants and cooperative agreements may not use funds from EPA's FY 2010 appropriations to enter into procurement contracts or provide subawards of financial assistance to ACORN and its subsidiaries.

We will keep you advised if circumstances change. If you have any questions about the funding restrictions, please contact your EPA grants specialist and include your grant number with the question.